

Washington State Auditor's Office

Audit Report

Clark County Conservation District

Audit Period
January 1, 1993 through December 31, 1997

Report No. 59934

Issue Date
April 2, 1999



Washington _____
State Auditor

Brian Sonntag

Audit Summary

Clark County Conservation District January 1, 1993 through December 31, 1997

ABOUT THE AUDIT

This report contains the results of our independent audit of the Clark County Conservation District for the period January 1, 1993, through December 31, 1997.

Our work focused on determining whether the District complied with state laws and regulations and its own policies and procedures. The internal controls established by the District's management were reviewed and evaluated. We performed audit procedures on specific areas that have potential for abuse and misuse of public resources.

RESULTS

Clark County Conservation District complied with state laws and regulations and its own policies and procedures in the areas we examined. Its financial statements are accurate.

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Description of the District

Clark County Conservation District January 1, 1993 through December 31, 1997

ABOUT THE DISTRICT

The Clark County Conservation District was established in 1942 and is supported primarily by a combination of grants from the Washington Conservation Commission. The District provides conservation education to the general public and administers various nature preservation projects. The District is administered by a Board of Supervisors consisting of two appointed and three elected members. The Washington Conservation Commission appoints two board members and the landowners within the District boundaries elect the other three members. Each Board Member serves a three-year term. The Board of Supervisors appoints a District Coordinator to direct the day-to-day operations of the District. Expenditures during the years from 1993 through 1997 ranged from approximately \$22,000 to \$145,000.

ELECTED OFFICIALS

These Supervisors were elected by the District landowners and served during the audit period:

Board of Supervisors:

Phil Burgess
Kent Anderson
Ralph Olmstead
Steve Keirn
Roger Falter

APPOINTED OFFICIALS

These Supervisors were appointed by the Washington Conservation Commission and served during the audit period.

Board of Supervisors:

David Cresap
Jill Stansbury
Cal Ek
Ron Crete

ADDRESS

District

Building C, Suite 400
1104 N. E. 149th Street
Brush Prairie, WA 98606

Audit Areas Examined

Clark County Conservation District January 1, 1993 through December 31, 1997

In keeping with general auditing practices, we do not examine every portion of the District's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following represents the areas of the District's operations examined during this audit period:

LEGAL COMPLIANCE

We audited the following areas for compliance with state and local laws and regulations:

- Open Public Meetings Act
- Authorization and validity of expenditures
- Ethics/conflict of interest laws and policies

INTERNAL CONTROL

We evaluated of the District's internal controls in the following areas:

- Cash receipting
- Cash disbursements
- Payroll
- Financial reporting

FINANCIAL AREAS

In addition to the financial-related work listed in other categories, we audited the following areas:

- Overall presentation of the financial statements
- Cash and investments for existence and fairness of presentation
- The District's ability to continue as a municipal entity
- Revenues and expenditures

Audit Overview

Clark County Conservation District January 1, 1993 through December 31, 1997

AUDIT HISTORY

Typically we audit the Clark County Conservation District every three years. However we included 1996 and 1997 in this audit due to the timing of our visit. The past audit of the District did not contain any findings.

CONCLUSIONS

In the areas examined, we found the District complied with state laws and regulations and its own policies and procedures. We also found the District's financial statements were correct.

We spent a considerable amount of time reviewing the propriety of District expenditures and we found the District had a strong system for review and approval of expenditures. The Board of Supervisors remains involved in the day-to-day operations through various oversight and approval duties. The District's staff size is too small to adequately segregate duties, therefore the Board's oversight of District operations serves as a key compensating control to ensure the proper use of public resources.

We appreciate the assistance and cooperation received from District staff and look forward to working with them in the future.

Independent Auditor's Report on Compliance with State Laws and Regulations

Clark County Conservation District January 1, 1993 through December 31, 1997

Chairman of the Board of Supervisors
Clark County Conservation District
Brush Prairie, Washington

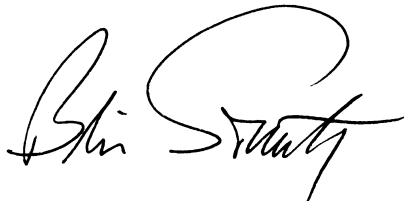
We have audited the financial statements of the Clark County Conservation District, Clark County, Washington, as of and for the years ended December 31, 1997, 1996, 1995, 1994 and 1993, and have issued our report thereon dated October 6, 1998.

We also performed tests of compliance with state laws and regulations as required by *Revised Code of Washington* (RCW) 43.09.260. This statute requires the State Auditor to inquire as to whether the District complied with the laws and the *Constitution of the State of Washington*, its own ordinances and orders, and the requirements of the State Auditor's Office.

Compliance with these requirements is the responsibility of the District's management. Our responsibility is to make a reasonable effort to identify any instances of misfeasance, malfeasance or nonfeasance in office on the part of any public officer or employee and to report any such instance to the management of the District and to the Attorney General. However, the objective of our audit of the financial statements was not to provide an overall opinion on compliance with these requirements. Accordingly, we do not express such an opinion.

The results of our tests indicated that, with respect to the items tested, the District complied, in all material respects, with the applicable laws and regulations referred to in the preceding paragraphs. With respect to items not tested, nothing came to our attention that caused us to believe that the District had not complied, in all material respects, with those provisions.

This report is intended for the information of management and the Chairman of the Board of Supervisors and to meet our statutory reporting obligations. This report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



BRIAN SONNTAG, CGFM
STATE AUDITOR

October 6, 1998

Independent Auditor's Report on Financial Statements and Additional Information

Clark County Conservation District January 1, 1993 through December 31, 1997

Chairman of the Board of Supervisors
Clark County Conservation District
Brush Prairie, Washington

We have audited the accompanying statements of Fund Resources and Uses Arising from Cash Transactions of the various funds of the Clark County Conservation District, Clark County, Washington, for the years ended December 31, 1997, 1996, 1995, 1994 and 1993. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

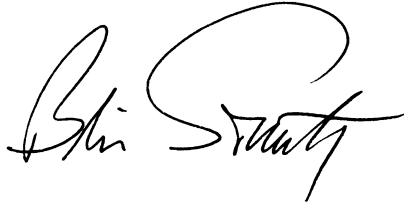
We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1 to the financial statements, the District prepares its financial statements on the cash basis of accounting that demonstrates compliance with Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the recognized revenues and expenditures of the funds of the Clark County Conservation District for the years ended December 31, 1997, 1996, 1995, 1994 and 1993, on the cash basis of accounting described in Note 1.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedules of State and Local Financial Assistance are also presented for purposes of additional analysis. These schedules are not a required part of the financial statements. Such information

has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Brian Sonntag", with a large, stylized loop at the end.

BRIAN SONNTAG, CGFM
STATE AUDITOR

October 6, 1998

Financial Statements

Clark County Conservation District January 1, 1993 through December 31, 1997

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 1997
Fund Resources and Uses Arising from Cash Transactions – 1996
Fund Resources and Uses Arising from Cash Transactions – 1995
Fund Resources and Uses Arising from Cash Transactions – 1994
Fund Resources and Uses Arising from Cash Transactions – 1993
Notes to Financial Statements – 1997, 1996, 1995, 1994 and 1993

ADDITIONAL INFORMATION

Schedule of State and Local Financial Assistance – 1997
Schedule of State and Local Financial Assistance – 1996
Schedule of State and Local Financial Assistance – 1995
Schedule of State and Local Financial Assistance – 1994
Schedule of State and Local Financial Assistance – 1993
Notes to Schedule of Financial Assistance